Form (2)

Sr.No. 6267-G

Dated 18-6-2014

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 732/2014

Date 18 , JUNE 2014

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law:-

(a) Name of Investor/ Promoter U AUNG ZAW OO

(b) Citizenship MYANMAR

(c) Address ROOM 401, AUNGZAYA CONDO, CORNER OF THEIKPAN STREET AND AHLONE STREET, AHLONE TOWNSHIP, YANGON.

(d) Name and Address of principal organization AUNG NAING THIT SAR CO., LTD. NO.2, ROOM NO. 504, 5TH FLOOR, THIRIMINGALAR HOUSING, STRAND ROAD, AHLONE TOWNSHIP, YANGON.

(e) Place of incorporation MYANMAR

(f) Type of business in which investment is to be CONTRACT FARMING, SEEDS PRODUCTION, PRE AND POST HARVEST TECHNOLOGY APPLICATION, RICE MILLING AND WAREHOUSING.

(g) Place(s) at which investment is permitted PLOT 991, KYAUNG GONE KWIN, PATEEGONE VILLAGE TRACT ,THAEGONE TOWNSHIP, PYAY DISTRICT, BAGO REGION.

(h) Amount of foreign capital US$ 9.5 MILLION

(i) Period for bringing in foreign capital WITHIN FIVE YEARS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) 18,050 MILLION (INCLUDING US$ 9.5 MILLION)

(k) Construction period 5 YEARS

(l) Permitted duration of investment 50 YEARS

(m) Form of investment JOINT VENTURE

(n) Name of the company incorporated in Myanmar YOMA SUN CO., LTD.

Chairman

The Myanmar Investment Commission

စာအမှတ် [illegible]
ရက်စွဲ ၁၈-၆-၂၀၁၄

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၇၃၂/၂၀၁၄ ၂၀၁၄ ခုနှစ် ဇွန်လ ၁၈ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃ ပုဒ်မခွဲ (ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ ကမကထပြုသူ၏အမည် U AUNG ZAW OO

(ခ) မည်သည့် နိုင်ငံသား MYANMAR

(ဂ) နေရပ်လိပ်စာ ROOM 401, AUNGZAYA CONDO, CORNER OF THEIKPAN STREET AND AHLONE STREET, AHLONE TOWNSHIP, YANGON.

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ AUNG NAING THIT SAR CO., LTD. NO .2, ROOM NO. 504, 5TH FLOOR, THIRIMINGALAR HOUSING, STRAND ROAD, AHLONE TOWNSHIP, YANGON.

(င) ဖွဲ့စည်းရာအရပ် MYANMAR

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား ကန်ထရိုက်စနစ်ဖြင့် ဆန်စပါးစိုက်ပျိုးထုတ်လုပ်ခြင်း၊ မျိုးစေ့ထုတ်လုပ်ခြင်း၊ စိုက်ပျိုးရေးနှင့် ရိတ်သိမ်းချိန်လွန် နည်းပညာရပ်များ အသုံးချ လုပ်ဆောင်ခြင်း၊ အရည်အသွေးမီ အဆင့်မြင့်ဆန်နှင့် ပေါင်းဆန် ကြိတ်ခွဲမှုလုပ်ငန်းများ လုပ်ဆောင်ခြင်း၊ အဆင့်မြင့် ဆန်စပါး သိုလှောင်ရုံ လုပ်ငန်းများ လုပ်ဆောင်ခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) ကွင်းအမှတ် ၉၉၁၊ ကျောင်းကုန်းကွင်း၊ ပုတီးကုန်း ကျေးရွာအုပ်စု၊ သဲကုန်းမြို့နယ်၊ ပြည်ခရိုင်၊ ပဲခူးတိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၉.၅ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင် ခွင့်ပြုမိန့် ရရှိပြီး ၅ နှစ် အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) ၁၈,၀၅၀ သန်း (အမေရိကန် ဒေါ်လာ ၉.၅ သန်း အပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၅ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၅၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် YOMA SUN CO., LTD.

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

Sr.No..................
Dated..................

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
Building No.(32), Nay Pyi Taw

Our ref: DICA-1/FI-944/ 2014(6267-G) Tel: 067- 406334, 406075

Date: 18th June, 2014 Fax: 95-67-406333

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Contract Farming, Seeds Production, Pre and Post Harvest Technology Application, Rice Milling and Warehousing" under the name of Yoma Sun Co., Ltd.

Reference: Yoma Sun Co., Ltd 's Letter dated (6-1-2014)

1. The Myanmar Investment Commission, at its meeting (14/2014) held on (14-5-2014) had approved the proposal for investment in "Contract Farming, Seeds Production, Pre and Post Harvest Technology Application, Rice Milling and Warehousing" under the name of "Yoma Sun Co., Ltd." submitted as a Joint Venture between Aung Naing Thitsar Co., Ltd. (50%) from Myanmar and Mr. Koji Fusa (50%)from Japan.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the said Law , Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be a period of 30 (thirty) years commencing from the date of approval from Myanmar Investment Commission and extendable for another 10 (ten) years two terms period by mutual agreement between U Aung Zaw Oo and Yoma Sun Co., Ltd.

4. Yoma Sun Co., Ltd. shall pay the annual land rent for land and buildings on yearly basis at the rate of US$ 2.001 per square meter per year of the land and building measuring 11,452.614 square meter (2.83 acres). The rate of rent shall be reviewed and revised in view of prevailing land and buildings lease rates after 30(thirty) years period and increase of the rent shall not be more than 10% of the preceding annual rent. Aung Naing Thitsar Co., Ltd. shall be contributed as equity at the amount of US$ 687,600 (United States Dollars six hundred and eighty seven thousand and six hundred only) for 30 years.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27(a),(h),(i) and (k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

   (a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section 27(h), exemption or relief from customs duty or other internal taxes or both on machineries, equipments, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for used during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption or relief from commercial tax on the goods produced for export.

6. Yoma Sun Co., Ltd. shall have to sign the Land Lease Agreement with U Aung Zaw Oo. After signing the Agreement, (5) copies shall have to be forwarded to the Commission. (5) copies of The Joint Venture Agreement of Aung Naing Thitsar Co., Ltd. (Myanmar) and Mr. Koji Fusa (Japan Citizen) shall also have to be forwarded to the Commission.

7. Yoma Sun Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. Yoma Sun Co., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

9. Yoma Sun Co., Ltd. has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be allowed more than one except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if Yoma Sun Co., Ltd. cannot construct completely in time the construction period or extension period, the Commission will have to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Yoma Sun Co., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law and Yoma Sun Co., Ltd. has

to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rule 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section 2(i) of the said Law, other than foreign currency.

16. Yoma Sun Co., Ltd. brings in foreign capital defined under Chapter I, section 2(i) of the said Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Yoma Sun Co., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Yoma Sun Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Yoma Sun Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Impact Assessment (EIA) process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and regulations.

20. Yoma Sun Co., Ltd. shall contribute 3% of annual net profit for Corporate Social Responsibility (CSR) activities in Myanmar as stated in the proposal.

21. After getting from Myanmar Investment Commission, Yoma Sun Co., Ltd. shall have to be registered at the Directorate of Industrial Supervision and Inspection.

22. Yoma Sun Co., Ltd. shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipment.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made local sales in Kyat/ US$ of Yoma Sun Co., Ltd.

24. Yoma Sun Co., Ltd. in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Yoma Sun Co., Ltd.

cc:
1. Office of the Union Government of the Republic of the Union of Myanmar
2. Office of the Bago Region Government
3. Ministry of Agriculture and Irrigation
4. Ministry of National Planning and Economic Development
5. Ministry of Finance
6. Ministry of Commerce
7. Ministry of Industry
8. Ministry of Foreign Affairs
9. Ministry of Home Affairs
10. Ministry of Immigration and Population
11. Ministry of Labour, Employment and Social Security
12. Ministry of Environmental Conservation and Forestry
13. Ministry of Electric Power
14. Director General, Directorate of Investment and Company Administration
15. Director General, Settlement and Land Records Department
16. Director General, Department of Industrial Crops Development
17. Director General, Customs Department

18. Director General, Internal Revenue Department
19. Director General, Directorate of Trade
20. Director General, Directorate of Industrial Supervision and Inspection
21. Director General, Immigration and National Registration Department
22. Director General, Directorate of Labour
23. Director General, Directorate of Environmental Conservation
24. Director General, Department of Forestry
25. Managing Director, Myanma Electric Power Enterprise
26. Managing Director, Myanma Foreign Trade Bank
27. Managing Director, Myanma Investment and Commercial Bank
28. Managing Director, Myanma Insurance
29. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)
30. Chairman, Republic of the Union of Myanmar Rice Federation